

Market Commentary

Recap: The crude market traded higher on Friday, as traders sought buying opportunities after the market fell to its lowest levels since July earlier this week. The crude market posted a low of \$75.31 in overnight trading before it bounced off that level and retraced its previous losses. The market gradually traded higher, breaching Wednesday high and retraced almost 38% of its move from a high of \$83.60 to a low of \$74.91, as posted a high of \$77.73 ahead of the close. The December WTI contract settled up \$1.43 or 1.9% at \$77.17. However, it settled lower for the third consecutive week, by 4.2% in the latest week. Meanwhile, the January Brent contract settled up \$1.42 or 1.77% at \$81.43 but ended the week down 4.08%. The product markets ended the session higher, the heating oil market settled up 2.4 cents at \$2.7431 and the RB market settled up 2.87 cents at \$2.1895.

Technical Analysis: The oil market is seen trading sideways as it appears to be consolidating following its recent sell off. The risk of a wider conflict in the Middle East is fading while the market remains worried about the global economy. We see the market finding resistance at its high of \$77.73, \$78.23 followed by \$79.26, \$80.28 and \$81.05-\$81.10. Meanwhile, support is seen at its lows of \$75.31, \$75.21, \$74.91 followed by \$73.96, \$73.88, \$73.84 and \$72.98.

Fundamental News: Baker Hughes said the combined oil and natural gas rig count fell by two to 616 in the week ending November 10th, the lowest since February 2022. It said U.S. energy firms this week cut the number of oil rigs operating for a second consecutive week to the lowest since January 2022. The number of oil rigs fell by two to 494 this week, while gas rigs were unchanged at 118.

Iraq's Oil Ministry said that Iraq is committed to the OPEC+ agreement on determining production levels. On Tuesday, Iraqi Oil Minister Hayan Abdel-Ghani said that oil exports from southern fields increased by 350,000 bpd, without giving a timeframe. The statement from the ministry on Friday indicated that rising exports were "normal" and did not impact overall production ceilings agreed upon in the OPEC+ framework. It added that "these fluctuations [in exports] sometimes happen due to falling domestic consumption and seasonality." The statement also indicated that OPEC+ "will not hesitate to take decisions that bring stability to the oil market."

IIR Energy reported that U.S. oil refiners are expected to shut in about 1.2 million bpd of capacity in the week ending November 10th, increasing available refining capacity by 439,000 bpd. Offline capacity is expected to fall to 540,000 bpd in the week ending November 17th and further to 282,000 bpd in the subsequent week.

Valero Energy reported flaring at its 145,000 bpd Benicia, California refinery after experiencing a power issue.

PBF Energy reported planned flaring at its 160,000 bpd Torrance, California refinery from November 10th to January 1, 2024.

Federal Reserve Bank of San Francisco President, Mary Daly, said she is not ready to say yet whether the central bank is done raising its interest rate target to get inflation back to 2%.

U.S. consumer sentiment fell for a fourth consecutive month in November, and households' expectations for inflation increased again, with their medium-term outlook for price pressures shooting to the highest level in more than a dozen years. The University of Michigan's preliminary reading of its Consumer Sentiment Index fell to 60.4, the lowest since May, from October's final reading of 63.8.

Early Market Call - as of 8:10 AM EDT

WTI - December \$77.24, up 7 cents

RBOB - December \$2.1887, down 8 points

HO - December \$2.7704, up 2.73 cents

All NYMEX | Prior Settlements

Month	ULSD (HO) Close	Prior Settle Change	Change In One Week
Dec-23	2.7431	0.0240	-0.1807
Jan-24	2.6975	0.0234	-0.1628
Feb-24	2.6695	0.0225	-0.1513
Mar-24	2.6366	0.0218	-0.1406
Apr-24	2.5989	0.0219	-0.1234
May-24	2.5751	0.0216	-0.1078
Jun-24	2.5607	0.0207	-0.0973
Jul-24	2.5565	0.0196	-0.0928
Aug-24	2.5559	0.0188	-0.0888
Sep-24	2.5598	0.0182	-0.0857
Oct-24	2.5614	0.0178	-0.0832
Nov-24	2.5566	0.0176	-0.0818
Dec-24	2.5458	0.0168	-0.0809
Jan-25	2.5340	0.0158	-0.0804
Feb-25	2.5198	0.0146	-0.0795
Mar-25	2.5025	0.0129	-0.0774
Apr-25	2.4811	0.0128	-0.0734

Sprague HeatCurve October 2024-April 2025			\$2.5285
		Close	Change
Crude - WTI	Jan Brent-	\$77.1500	\$1.4000
Crude - Brent	WTI Spread	\$81.4300	\$1.4200
Natural Gas	\$4.28	\$3.0330	-\$0.0080
Gasoline		\$2.1895	\$0.0287

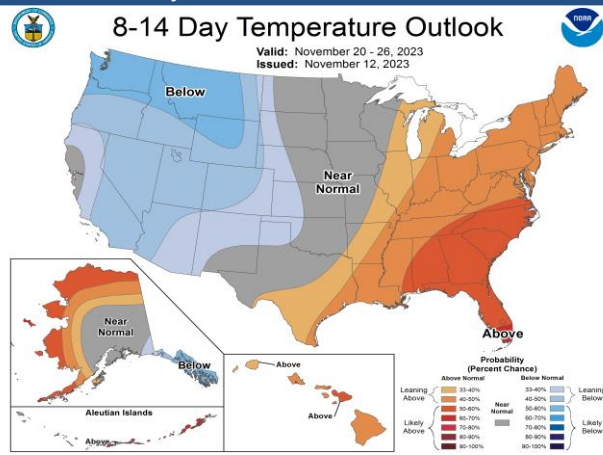
December WTI



December Heating Oil



8-14 Day Weather Forecast



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